IOWA STATE UNIVERSITY



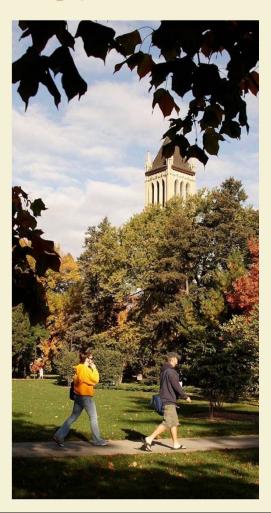
Legislative Fiscal Committee

October 18, 2011

IOWA STATE UNIVERSITY

Iowa State University of Science & Technology

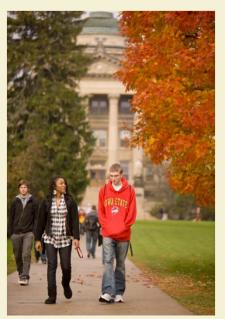
- lowa's Land-Grant university
 - Unwavering commitment to serving lowans
- lowa's university focused on science & technology
- Member of Association of American Universities (AAU)
 - Top 61 North American universities
- USA Today/Princeton Review
 2011 "Top 50 Best Value"
 - Low tuition
 - High-quality educational programs



Our Land-Grant Mission

Dedicated to:

- Providing a superior education to students
 - Record 29,887 students in fall 2011; 68% of undergraduates are lowans
- Making a better lowa through research
 - \$342.3M in external grants & contracts; strong focus on practical research applied to meeting the needs of lowa
 - An engine for economic development
- Serving lowa through extension & outreach
 - >900,000 lowans served in FY2011
 - >1,200 lowa companies assisted in FY2011
 - >6,000 jobs added or retained in FY2011





Incentive Driven Budgeting

1. Success driven, focused on students

- Each college receives tuition & indirect cost revenue based upon enrollment & sponsored funding generated
- College deans balance revenues & expenditures to create optimal learning & research environment
 - Determine staffing levels in response to college's enrollment & research funding levels
 - Determine compensation for faculty & staff
 - Charged utilities & rent for space use
 - Charged for central administrative support services,
 such as campus security & human resource services

Incentive Driven Budgeting

2. Priority driven, focused on core mission

State appropriations strategically distributed across the university based upon strategic plan priorities & core mission responsibilities

- Priorities from ISU's Strategic Plan, e.g.:
 - Learning Communities to enhance student success
 - Research infrastructure to leverage faculty success
- Priorities from Regents Strategic Plan, e.g.:
 - Enhancing student retention & graduation rates
- Core mission responsibilities:
 - Campus security & physical plant
 - Extension, outreach & economic development
 - Central research & student support services

Incentive Driven Budgeting

- 3. <u>Efficiency driven, focused on</u> <u>effectiveness</u>
 - ISU's central administration & support services supported by state appropriations & charging the colleges
 - Iowa State has one of the lowest administrative costs among its Big 12 & peer universities
 - Held the line on benefits cost increases to 5% & passed additional increases on to employees
 - Reduced IT workforce by 36 positions by implementing many technology efficiencies
 - Moving quickly to lower costs ("virtual desktops")

Incentive Based Budgeting

4. Results driven, focused on outcomes

- Incentive based budgeting used for the last 4 fiscal years
- Central leadership sets priorities & general direction for colleges
- Results include:
 - Reduced workforce through forced layoffs, position eliminations, early retirement
 - Held faculty & P&S staff salaries nearly constant with pay freeze in 2010 & minimal, targeted increases in 2011
 - Mandatory furloughs in 2010, amounting to ~3% reduction in pay
 - Eliminated or downsized research centers & institutes, saving \$2.6M
 - College of Engineering reorganized & eliminated 29 staff positions;
 College of Design centralized & reduced administration, eliminating 6 positions
 - Significantly reorganized ISU Extension, resulting in elimination of many staff positions & field offices
 - Continuing to consolidate academic departments & eliminate programs

Strengthening Iowa's Economy

DuPont Danisco

- Cellulosic ethanol production facility to be built in Nevada, lowa
- Chose Iowa because of ISU's investments & many strengths in biorenewables, and ISU's strong partnership with DuPont subsidiary Pioneer Hi-Bred
- \$275.5M investment
- Open in 2013 & employ 60 people
- Process 300,000 tons of cellulosic material annually
- Annual economic impact for lowa of >\$30M





Strengthening Iowa's Economy

Laboratoria Hipra

- Multinational animal health company based in Spain
- North American HQ, R&D, production facility to be in ISU Research Park
- Chose Iowa because of ISU's strengths in animal health & biologics, infrastructure support, proximity to NADL
- \$68M capital investment
- Phase I to have 60 employees; grow to 85 in 3 years
- >\$10M annual economic impact for lowa





Strengthening Iowa's Economy

WebFilings

- High-growth company develops cloud-based SEC reporting software
- Founded in 2008; today employs 141 in ISU Research Park; growing to 345 employees in 4 years
- Scaling rapidly, already serves hundreds of public companies, including many in the Fortune 100
- Chose Iowa because of access to Ames-area & ISU talent pool, Research Park infrastructure and experience, state & local government support
- Direct economic impact for lowa of >\$165M through 2015





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a + -	UNITED STATES	
/ Cover Page	SECURITIES AND EXCHANGE COMMISSION	
Table of Contents	SECURITIES AND EACH	
* PART I - FINANCIAL INFORMATION		
¥ Rom 1. Condensed Consolidated Fig.	FORM 10-Q	
Condensed Consolidated Balance	(Mak Out)	
Condensed Consolidated Statemen	The state of the s	ON 13 OR 15sh OF THE SECURITIES EXCHANGE
Condensed Consolidated Statemen	ACT OF 1934	
T Notes	June 10.	2010
Note 1 - Accounting policies	**	
Note 2 - Ceeh, CE, and ST Inve	TRANSITION REPORT PURSUANT TO SECT	ION 13 OR 15(d) OF THE SECURITIES EXCHANGE
Note 3 - Financial Instruments	ACT OF 1994.	
Sota 6 - Aquintoria	For the treatment period fromN Commission Fib. Number 2-1111 **WEBFILINGS** (Stand some of cognition to include)	
Note 5 - Goodwill		
Note 6 - Other Assets		
Note 7 - Account Expenses		
Note E - Stock-Based Company Note 9 - Employee Benefit Plan		
Note to Restricting Charges		
Note 11 - Stockholdery Equity	California	71-1234597
Note 12 - Comprehensive Incom	(State or other justicition of incorporation or organization)	(E.R.S. Employer Identification No.)
Note 13 - Not income Per Share	6410 El Camino Real Salte 200, Los Altos, California 94022	
Note 14 - Contentments and Ca	(Address of principal executive offices and sig-code)	
Note 15 - Credit Agreement	(888) 275-3125	
Note 16 - Non-Operating Incom	(Registrant's telephone number, including area code)	
Note 17 - Segments		
Note 10 - Subsequent Events	Indicate by check mark whether the registrare (1) has filed all reports requi	red to be filed by Section 13 or 15 of) of the Securities Exchange Act
> Bom 2. Management's Discussion s	of 1934 during the proceeding 12 months (or for such shorter period that the	registrate was required to file such reports) and (2) has been subject
Born S. Market Risk Dischourses	to each filing requirements for the past 90 days. Yes ID No C	
Item 4. Curtivis and Procedures	Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every interactive Data	
► PART 6 - OTHER INFORMATION	File required to be submitted and posted pureaset to Rule 405 of Regulation for such observe meteod that the recriment was remained to submit and meet a	n S-T (232,405 of this shapter) sharing the proceeding 12 months (or such files). You fill No. F1

Sponsored Funding

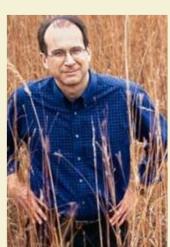
Recent major grants:

- Climate Change, Mitigation & Adaptation in Corn-Based Cropping Systems; PI Lois Morton; \$20M (USDA-NIFA)
- Harnessing Energy Flows in the Biosphere to Build sustainable Energy Systems; PI Robert Brown; \$20M (NSF EPSCoR)
- Enhancing B Cell Immunity Against HIV-1 Using Novel Vaccine Delivery Platforms; Pl Michael Cho; \$6.8M (NIH)
- Agri-ecosystem Approach to Sustainable Biofuels Production via the Pyrolysis-Biochar Platform; Pl Ken Moore; \$24.6M (USDA-NIFA)









Dan Shechtman: 2011 Nobel Laureate in Chemistry!

ISU professor of materials science & engineering

Ames Lab research scientist

Philip Tobias Professor of Materials Science, Technion-Israel Institute of Technology

"Discoverer of quasicrystals"

